Plaintiff's Exhibit 1877

11315 November 16, 1944

Charles Pius, M. D.
Yreka, California

Dear Doctor:

Our Medford office has mailed to us your bill for services to Mrs. Canna Walker of Fluhrer's Bakery on account of menopausal neurosis. As menopausal conditions are not included in the contract, this is not a proper charge for us to assume—for reasons I believe you will understand.

However, Mr. Furrer, our representative in that district, tells me that you had not been properly instructed in this matter and, therefore, your charge in this instance will be paid by the Association, except that portion of your bill that applies for the Semestrin. This should be paid by the member as medicines are not furnished except for patients while they are in the hospital.

To avoid misunderstandings in the future, we are enclosing a letter explanatory of the Association's benefits and regulations.

Yours very truly,

C. C. Bechtold
General Manager

CCB:as
Enc.

11316 November 16, 1944

Charles Pius, M. D.
Yreka, California

Dear Doctor:

For your guidance in attending patients who are members of the National Hospital Association, we furnish you the following information; National coverage applies to the following conditions:

(1) Acute sickness and personal injuries occurring any time, day or night, during any period for which the employee payments apply.

(2) After the employe has been continuously under the coverage of the Association for a period of six months, the benefits apply to chronic conditions such as cancer, heart disease, anemia, stomach, kidney, thyroid, gall bladder, and other chronic ailments, but not where such ailments were active prior to or within the first six months' coverage.

(3) Likewise, the contract applies to tuberculosis, apoplexy, paralysis and conditions peculiar to the member's sex, where the condition was not active at the time of coming under the coverage or within the first six months thereafter.

(4) Removal of tonsils is not provided under the contract until after the employe has been continuously under the coverage for a period of six months, and then only when it is necessary to remove the tonsils in the treatment of some systemic illness to which the employe is entitled to benefits under the contract.

The contracts do not apply to the following conditions: "Insanity, senility, obesity, mental disorders, or venereal diseases; pregnancy, childbirth or the menopause or conditions arising therefrom; nor to conditions existing at the time the employe comes under the coverage of this agreement; nor to injuries resulting from the use of intoxicating liquors or from acts of personal violence, except that an employe injured through the intoxication or violence of another party shall be entitled to the benefits notwithstanding, unless such injured employe himself was a party to the violence or intoxication which caused his
11317 injury; nor to injuries or diseases received in hazardous occupations coverable by Workmen's Compensation or Industrial Insurance Laws or Contracts."

If an employee meets with injury for which some third person is responsible, it is expected that the responsible party shall assume the charges and not the National Hospital Association.

The following regulations should be observed:

(1) Prophylaxes are provided where the employe has been exposed to a virulent disease that is subject by law to quarantine, but prophylaxes are not provided for common colds, hay fever, or other respiratory conditions.

(2) After an employe has been under the coverage of the Association for a period of six months and is under treatment for a systemic illness to which disease of the teeth may be the contributing cause, attending doctors are authorized to order extraction of the affected teeth at the expense of the Association. Such orders must be in writing and should name the illness for which the extractions are requested.

(3) While the employes hospital ticket is prima facie evidence of his elegibility to services at the expense of the National Hospital Association, there are exceptions—depending on the period of time the employe has been under the coverage, and other factors. Therefore, to avoid misunderstandings and to protect their accounts, doctors should immediately communicate with the Association where major surgery or other service involving large expense is requested.

(4) In cases where time is a factor, doctors are requested to communicate with the Association, at the Association's expense, by telegraph or telephone.

Yours very truly,

C. C. Bechtold
General Manager

CCB:as

(The rest of the exhibit consists of several letters between National Hospital Association's home office in Port, and its Medford office respecting the matter referred to in the first letter to the doctor.)

Plaintiff's Exhibit 1879

11322 (Letterhead of National Hospital Association)

August 25, 1944

Mr. C. C. Bechtold, General Manager
National Hospital Association
400 Mohawk Building
716 S. W. Third Avenue
Portland 4, Oregon

Dear Mr. Bechtold:

The Fluhrer's Bakery Company has requested three copies of our contract for their employees at Grants Pass, Oregon, Yreka, California, and Mount Shasta, California. These are copies of our Master Contract. I should appreciate these being sent direct to Fluhrer's Bakery Company at each of the above towns.

Incidentally this company has approximately fifty members at Eureka, California, which the local manager has suggested that I contact as their manager in that area already seems interested in our services for their employees.

I believe there is considerable activity in that area, and I am planning on making a trip in that district sometime next month.

(Signed) RALPH FURRER
Ralph Furrer

RF:id

THIS CHECK IS IN SETTLEMENT OF THE FOLLOWING
RETURN IF INCORRECT

PORTLAND, ORE., Feb 29 1936 No. 9635

THE PUMPHREY COMPANY

PAY TO THE ORDER OF Clark General Hospital $17.25

Seventeen and 25/100 DOLLARS

To UNITED STATES NATIONAL BANK
24-11 PORTLAND, OREGON

THE PUMPHREY COMPANY

By [signature] PRESIDENT

CLARK GENERAL HOSPITAL
By Olive O'Brien

PAY TO THE ORDER OF
ANY BANK, BANKER OR TRUST CO.
Prior Endorsements Guaranteed
MAR 2 1936
VANCOUVER NATIONAL BANK
98-34 Vancouver, Wash.
4

Plaintiff's Exhibit 1883

11834

1-41

THIS CHECK IS IN SETTLEMENT OF THE FOLLOWING RETURN IF INCORRECT		
J Kerr		

PORTLAND, ORE. Nov 24 1937 No. 11655

THE PUMPHREY COMPANY

PAY TO THE ORDER OF Charles Grand Delegated $6.--

Four and no/100 DOLLARS

THE UNITED STATES NATIONAL BANK
24-11 PORTLAND, OREGON

THE PUMPHREY COMPANY

By _____ PRESIDENT

11655

284

THE FIRST NATIONAL BANK
LONGVIEW, WASH.
COWLITZ GENERAL HOSPITAL
FOR DEPOSIT

1132 0211 1224 0284

THE UNITED STATES NATIONAL BANK
LONGVIEW, WASHINGTON
NOV 27 1937
PAY TO THE ORDER OF ANY BANK OR BANKER
FOR COLLECTION
[redacted]

THIS CHECK IS IN SETTLEMENT OF THE FOLLOWING. RETURN IF INCORRECT		

PORTLAND, ORE. May 27 1937 No. 11125

THE PUMPHREY COMPANY

PAY TO THE ORDER OF Clark General Hospital $22.30

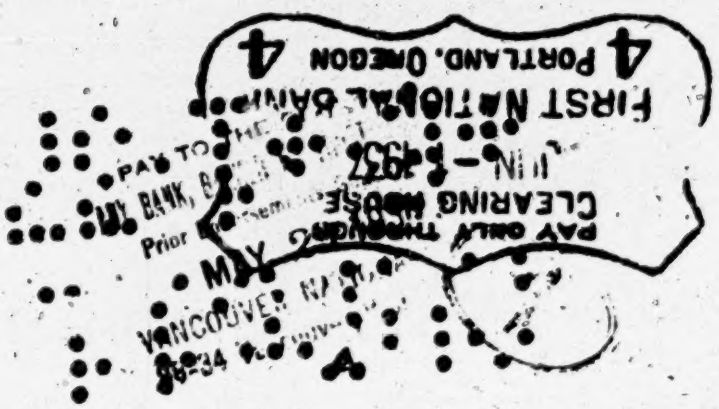
Twenty two 30/100 DOLLARS

THE UNITED STATES NATIONAL BANK
24-11 PORTLAND, OREGON

THE PUMPHREY COMPANY

By [signature] PRESIDENT

CLARK GENERAL HOSPITAL
By [signature]



11326

1937

THIS CHECK IS IN SETTLEMENT OF THE FOLLOWING RETURN IF INCORRECT		

PORTLAND, ORE., Nov 23 1936 No. 10469

THE PUMPHREY COMPANY

PAY TO THE ORDER OF Cowlitz General Hospital $20.00

Twenty and 00/100 DOLLARS

THE PUMPHREY COMPANY

To UNITED STATES NATIONAL BANK

31-11 Portland, Oregon

President

COWLITZ GENERAL HOSPITAL

PAY TO THE ORDER OF ANY BANK OR BANKER
ALL PRIOR ENDORSEMENTS GUARANTEED
THE LONGVIEW NATIONAL BANK
NOV 25 1936
THE FIRST NATIONAL BANK OF LONGVIEW
LONGVIEW, WASHINGTON

1:1250 1:1275 1:1300

THIS CHECK IS IN SETTLEMENT OF THE FOLLOWING RETURN IF INCORRECT		

PORTLAND, ORE. July 27 193 6 No. 10110

THE PUMPHREY COMPANY

PAY TO THE ORDER OF Oregon General Hospital $44.50

Forty four and 50/100 DOLLARS

THE PUMPHREY COMPANY

To UNITED STATES NATIONAL BANK
36-11 PORTLAND, OREGON

By _____ PRESIDENT

11328

ANY PAY IS THE ... THE ... JUL 29 1936 THE FIRST NATIONAL BANK OF ... U.S. COURT ...

EXHIBIT 1863 ... 42 ...

COUNTY GENERAL

Plaintiff's Exhibit 1885

11329

7486

THIS CHECK IS IN SETTLEMENT OF THE FOLLOWING
RETURN IF INCORRECT

PORTLAND, ORE., July 24 1936 No. 10107

THE PUMPHREY COMPANY

PAY TO THE ORDER OF Monroe City State $ 60

Dollars

THE PUMPHREY COMPANY

To UNITED STATES NATIONAL BANK
24-11 PORTLAND, OREGON

By [signature] PRESIDENT

PAY TO THE ORDER OF
THE FIRST NATIONAL BANK
OF MONROE
MONROE'S DRUG STORE
No. 117

PAY TO THE ORDER OF
ANY BANK OR BANKER
ALL PRIOR INDORSEMENTS AND/OR GUARANTEES
THE UNITED STATES NATIONAL BANK
PORTLAND, OREGON
JUL 27 1936
THE FIRST NATIONAL BANK OF MONROE
MONROE, LOUISIANA
U. S. CLEARING

PLAINTIFF'S
EXHIBIT
Case No.
IN U. S. DISTRICT COURT

THIS CHECK IS IN SETTLEMENT OF THE FOLLOWING
RETURN IF INCORRECT

PORTLAND, ORE. March 13 1886 No. 9661

THE PUMPHREY COMPANY

PAY TO THE ORDER OF Distillers Funds & Home $26.00

Twenty six and 00/100 DOLLARS

THE PUMPHREY COMPANY

To UNITED STATES NATIONAL BANK
30-11 PORTLAND, OREGON

By _____ PRESIDENT

Distillers Funds
Home
Oly & Distillers

MAR 1936
FEDERAL RESERVE BANK

11330

Plaintiff's Exhibit 1886

THIS CHECK IS IN SETTLEMENT OF THE FOLLOWING AS RETURN IF INCORRECT

PORTLAND, ORE., Aug 27 1936 No. 10221

THE PUMPHREY COMPANY

PAY TO THE ORDER OF State Funeral Home $ 4.00

Four and 00/100 DOLLARS

THE PUMPHREY COMPANY

To UNITED STATES NATIONAL BANK

24-11 PORTLAND, OREGON

By [signature] PRESIDENT

1231 1

8872

State Funeral Home
Rudy Steele Potter

PAY TO THE ORDER OF
ANY BANK OR BANKER
ALL PRIOR ENDORSEMENTS GUARANTEED
THE LONGVIEW NATIONAL BANK
SEP 3 1936
THE FIRST NATIONAL BANK OF [redacted]
90-451 LONGVIEW, WASHINGTON
U. S. COURT, Cashier

PLAINTIFF'S
DEFENDANT'S
EXHIBIT 18 Admitted
Case No. [redacted]
IN U. S. DIST. COURT

11332

Plaintiff's Exhibit 1943

7-49

NATIONAL HOSPITAL ASSOCIATION

FOUNDERS OF PREPAID MEDICAL AND HOSPITAL INSURANCE
732 S.W. THIRD AVE.
PORTLAND 4, OREGON

24-4

No. 08213

Date 7/1 1942

PAY REGISTERED $100 and 00 cts

100.00

NATIONAL HOSPITAL ASSOCIATION

TO THE ORDER OF
Drs. Holcomb & Burns
2222 N. W. Lovejoy St.
Portland 10, Oregon

TO THE FIRST NATIONAL BANK OF PORTLAND, OREGON

Cancelled
Cancelled and issue to
replacement
PB

7490

11333

NATIONAL HOSPITAL ASSOCIATION

24-4

FOUNDERS OF PREPAID MEDICAL AND HOSPITAL INSURANCE
732 S.W. THIRD AVE
PORTLAND 4, OREGON

No. P 08822

Date 7/28 19 49

PAY $100.00

NATIONAL HOSPITAL ASSOCIATION.

TO THE ORDER OF Frank C. Badger
Box 56
Grays River, Washington

TO THE FIRST NATIONAL BANK OF PORTLAND, OREGON

PLEASE DETACH BEFORE DEPOSITING

IN PAYMENT OF THE ACCOUNTS AS LISTED:

Drs. Holcomb & Burns	Med	Salmond Logging Company	March & April	100.00

Letter/ms

PLAINTIFF'S
DEFENDANT'S
EXHIBIT 174

11334 July 28, 1949

Mr. Frank C. Badger
Box 56
Grays River, Washington

Dear Mr. Badger:

Enclosed you will find our check in reimbursement to you for the charges by Doctors Blair Holcomb and E. Murray Burns, statement for which was presented to this office.

Very truly yours,

NATIONAL HOSPITAL ASSOCIATION

W. E. Jones
Claims Department

WEJ:MS
enc. check

11335 June 28, 1949

Drs. Holcomb and Burns
2222 N. W. Lovejoy St.
Portland 10, Oregon

Re; Frank C. Badger
Schmand Logging Co.

Dear Doctors:

Enclosed you will find check for $100 in payment of your account wth Frank C. Badger for examination and treatments for diabetes, as per your statement of April 25 which was forwarded to this office for payment under its contract with Mr. Badger's employer, the Schmand Logging Company.

Yours very truly,

NATIONAL HOSPITAL ASSOCIATION

W. E. Jones
Claims Department

WEJ:bjj
Encl.

11336 (Letterhead of National Hospital Association)

No. 262

EMPLOYE'S RECEIPT FOR HOSPITAL DUES

1. *Employe's Name* Frank Badger *Job Location* G. R.

2. *Month or other period for which ticket is issued* March *1949*

3. *Employe began paying N.H.A. dues* ——*1945* *Is Employe still in your employ?* Yes

4. *Reason for issuing ticket*:

taken sick ☒
injured ☐
left employ ☐
advance payment ☐
(*Mark x in appropriate square*)

5. *If employe was injured, how and where did injury occur?* .....

.....

*6. *If "new employe" and he worked less than 4 days, give exact dates* .....

Amount collected or deducted 3.50

Schmand Logging Co.
Employer.

3-28 1949
Date issued

By (Signed) C. J. Schmand
Authorized Repr.—Title.

Notice: This ticket is not valid if issued by any person not having authority. Any person issuing or using this ticket fraudulently subjects himself to prosecution.

* *"New employes" who work less than 4 days pay 10¢ per day and are protected only on days they work.*

INFORMATION FOR EMPLOYE

1. This ticket is your receipt for "hospital dues." It entitles you to Medical, Surgical and Hospital Care and related services at the expense of the National Hospital Association, as provided in the contract on file with your Employer. (For full information ask to see the contract or communicate with the Association—the statements contained herein are for your guidance and do not modify or supersede the contract.)

2. When sick or injured present this ticket to the National Hospital Association at its offices in Portland, Oregon, or to any doctor designated by the Association. If your condition is serious, you should notify the Association at once or ask your doctor or some other person to notify the Association. Ask your Employer for names of designated doctors in the district in which you are employed.

11337 3. You may obtain services in any district in which the Association operates and you may select any doctor designated by the Association, but—except as provided in paragraph 4 hereof—the Association will not be responsible for any bills you contract other than provided for in the contract.

4. If for any cause you are unable to obtain services from the doctors or hospitals designated by the Assocation, you may engage the services of any qualified doctor or hospital and the Association will assume the accounts at the fees provided for in the contract. In such a case, take up itemized bills from the doctor and the hospital and send them to the Assocation with this ticket attached. The Association will then mail its check to you for payment of the accounts, or it will pay the doctor and the hospital direct. Bills must be fully itemized and must show the condition for which you were treated.

5. If you are injured by acts for which another party is legally responsible, you should hold that party responsible to pay your doctor and hospital bills, as the Association does not assume these charges for you unless the responsible party refuses to pay the account and you are unable to recover from him. Do not make settlement with or release the responsible party until you know that your doctor and hospital bills have been paid.

6. Work-injuries are not included in the contract as these are intended to be under Workmen's Compensation, but if your Employer does not provide Compensation Coverage for you and you wish your contract with the Association to cover you for work-injuries, notify the Association and we will furnish you with the rate for this additional Coverage.

What To Do If You Are Not Working

1. If you are not working, your dues must be paid in advance on or before the first day of each calendar month or you will lose your protection and the credits you have gained in waiting periods under the contract. Payment after due date does not entitle you to services for any condition occurring while in arrears.

If you leave your employment, you may apply to the Association for an Individual Contract.

If you are temporarily away from your work, you may send your dues direct to the Association or you may arrange with your Employer to pay your dues for you by payroll deduction from your last wages for a period not to exceed three months, but your payments must be made in advance.

2. If you are taken sick or injured, you are not required to keep up your dues to receive services for that sickness or injury, but you are not protected for any other sickness or injury unless your dues are paid.

It is the aim of the National Hospital Association to at all times provide a high standard of Medical and Hospital Coverage for those under its contracts, and if at any time you should be displeased with the attention you receive from the Association or from the doctors or hospitals who attend you, we shall appreciate hearing from you. We most earnestly request your cooperation.

National Hospital Association

(Signed) C. C. Bechtold
General Manager

Phone: ATwater 5291
732 S. W. 3rd Avenue, Portland 4, Ore.

11338 July 28, 1949

Mr. Frank C. Badger
Box 56
Grays River, Washington

Dear Mr. Badger:

Enclosed you will find our check in reimbursement to you for the charges by Doctors Blair Holcomb and E. Murray Burns, statement for which was presented to this office.

Very truly yours,

NATIONAL HOSPITAL ASSOCIATION

W. E. Jones
Claims Department

WEJ:MS
enc. check

11339 INTERNATIONAL WOODWORKERS OF AMERICA

LOCAL UNION NO. 5-11
Cathlamet, Washington

July 21, 1949

Mr. C. C. Bechtold, Manager
National Hospital Association
732 S. W. Third Avenue
Portland 4, Oregon

Dear Sir:

I don't hardly understand this myself but maybe you do. Mr. Frank Badger was just in and told me that his Doctors (Holcomb and Burns, 2222 N. W. Lovejoy) refused to accept your check for his bill and returned the check to you. He in turn paid the Doctors and their letters to him is enclosed. We are asking that you reimburse him for the bill. It seems to me that these doctors are getting pretty particular when they want the money to be just the right color before they will accept it.

I was in the other day with a bill for Billy Wuorinen who works for Wirkkala Johnson. I figured that the Cowlitz General Hospital padded it but so far I have been unable to confirm my suspicions. I promised the girl in the office

I would let you know what I found out. It might be that I will be back in some day to get you to pay some more on it so better get prepared. I do think that they charged too much for the transfusions even if it wasn't Red Cross blood. The kid had some friends give at least three pints of blood.

Yours truly,

(Signed) HERBERT FAUBION JR
Herbert Faubion Jr.
Bus. Agt. Local 5-11
Cathlamet, Washington

BLAIR HOLCOMB, M. D.
E. MURRAY BURNS, M. D.
PHYSICIANS

2222 N. W. LOVEJOY ST.
PORTLAND 10, OREGON

July 19, 1949

Mr. F. C. Badger
Box 56
Grays River, Washington

Dear Mr. Badger:

Thank you very much for your payment. We are enclosing your receipt.

I hope that you are feeling well and that things are going along satisfactorily for you.

With kindest regards, I am

Sincerely yours,

(Signed) EUEKIN WEDIKIND
Secretary

EW:k

11340 BLAIR HOLCOMB, M. D.
E. MURRAY BURNS, M. D.
PHYSICIANS
2222 N. W. LOVEJOY ST.
PORTLAND 10, OREGON

July 7, 1949

National Hospital Association
732 S. W. Third Avenue
Portland, Oregon

Attention: Mr. W. E. Jones

Dear Mr. Jones:

I am returning a check for $100.00 made out to Drs. Holcomb and Burns for the account of Mr. Frank C. Badger of the Schmand Logging Co. for work we did for him in March and April of 1949.

Inasmuch as Mr. Badger came to us as a private patient, we prefer to bill him directly which we have done. We feel that in cases such as these it is up to the patient to deal with the physician directly, and in the event that an individual is protected or insured by any association, it is up to him to collect from the company which insures him.

Very truly yours,

(Signed) BLAIR HOLCOMB

BH:k

11341 June 30, 1949

Mr. Herbert Faubion
Secy. I. W. A. Locals 5-11 and 5-87
P. O. Box 512
Cathlamet, Washington

Re: Mr. Frank C. Badger
Schmand Logging Co

Dear Mr. Faubion:

On the basis of the information you furnished our General Manager, Mr. Charles Bechtold, regarding Mr. Badger's coverage in the Association, his recent claim relating to medical and hospital services rendered him by Doctors Holcomb and Burns and Good Samaritan Hospital has

been approved and our check in payment of the doctors bill is being mailed to the doctors office today.

The enclosed check in Mr. Badger's favor is in refund to him for the charges by the hospital since we understand he has already paid this account.

Very truly yours,

NATIONAL HOSPITAL ASSOCIATION

W. E. Jones
Claims Department

WEJ:MS
enc. check

11342 June 28, 1949

Drs. Holcomb and Burns
2222 N. W. Lovejoy St.
Portland 10, Oregon

Re: Frank C. Badger
Schmand Logging Co.

Dear Doctors:

Enclosed you will find check for $100 in payment of your account with Frank C. Badger for examination and treatments for diabetes, as per your statement of April 25 which was forwarded to this office for payment under its contract with Mr. Badger's employer, the Schmand Logging Company.

Yours very truly,

NATIONAL HOSPITAL ASSOCIATION

W. E. Jones
Claims Department

WEJ:bjj
Encl.

11343

7499

BLAIR HOLCOMB, M. D.
E. MURRAY BURNS, M. D.
PHYSICIANS
8888 N. W. LOVEJOY ST.
PORTLAND 10, OREGON

TELEPHONE BEACON 9131

BILL RENDERED TO
25TH OF CURRENT MONTH

DATE APR 25 1949

BALANCE $ ✓

PROFESSIONAL SERVICES March & April $100.00

med spec

Mr. Frank C. Badger Diabetes
Box 56
Grays River, Wash

Schedule 6 Courage 6A
C8213
C8822

7500

11344

NATIONAL HOSPITAL ASSOCIATION

FOUNDERS OF PREPAID MEDICAL AND HOSPITAL INSURANCE
732 S.W. THIRD AVE.
PORTLAND 4, OREGON

24-4

No D08214

Date 7/2, 19 49

$ [illegible]

PAY

NATIONAL HOSPITAL ASSOCIATION,

TO THE ORDER OF

Frank C. Badger
c/o Secy. I.W.A. Locals 5-11 & 5-87
P. O. Box 512
Cathlamet, Washington

TO THE FIRST NATIONAL BANK OF PORTLAND, OREGON

PLEASE DETACH BEFORE DEPOSITING

IN PAYMENT OF THE ACCOUNTS AS LISTED:

Good Samaritan Hospital	Med.	Schwund Logging Co.	3/29-4/4/49	[illegible]

Letter sm

11345 June 30, 1949

Mr. Herbert Faubion
Secy. I. W. A. Locals 5-11 and 5-87
P. O. Box 512
Cathlamet, Washington

Re: Mr. Frank C. Badger
Schmand Logging Co

Dear Mr. Faubion:

On the basis of the information you furnished our General Manager, Mr. Charles Bechtold, regarding Mr. Badger's coverage in the Association, his recent claim relating to medical and hospital services rendered him by Doctors Holcomb and Burns and Good Samaritan Hospital has been approved and our check in payment of the doctors bill is being mailed to the doctors office today.
The enclosed check in Mr. Badger's favor is in refund to him for the charges by the hospital since we understand he has already paid this account.

Very truly yours,

NATIONAL HOSPITAL ASSOCIATION

W. E. Jones
Claims Department

7302

11346

GOOD SAMARITAN HOSPITAL, Portland, Oregon **1239**

Name Badger, Mr. Frank C. No. K-7477

Address Grays River, Washington Room Ward 2 MA Rate ~~8.00~~ 10 up

		DATE		DEBIT	CREDIT	BALANCE DUE
	1					* 0.00
	2	4-3	ROOM — 3 days @ 9	* 27.00		* 27.00
	3					* 27.00
	4	PR-4-4y			10.50	
	5	PR-4-4y	LAB'TY —	* 2.75		
med	6	PR-4-4y	ROOM —	* 4.50		
	7	PR-4-4y	ROOM — 4	* 42.50		* 66.25
8da 84.00	8					* 66.25
Lab 7.60	9	PR-4-4y	ROOM CORR		* 0.50	* 65.75
	10					* 65.75
J.	11	PR-4-4y	— CASH		65.75	* 0.00
	12					
	13					
	14					
	15		8 days @ 10	84.00		C8214
	16		Lab	7.60		
	17					
	18			91.60		
	19					
	20					
	21					
	22					
	23	dates:				
	24	3/29 to 4/6/49				

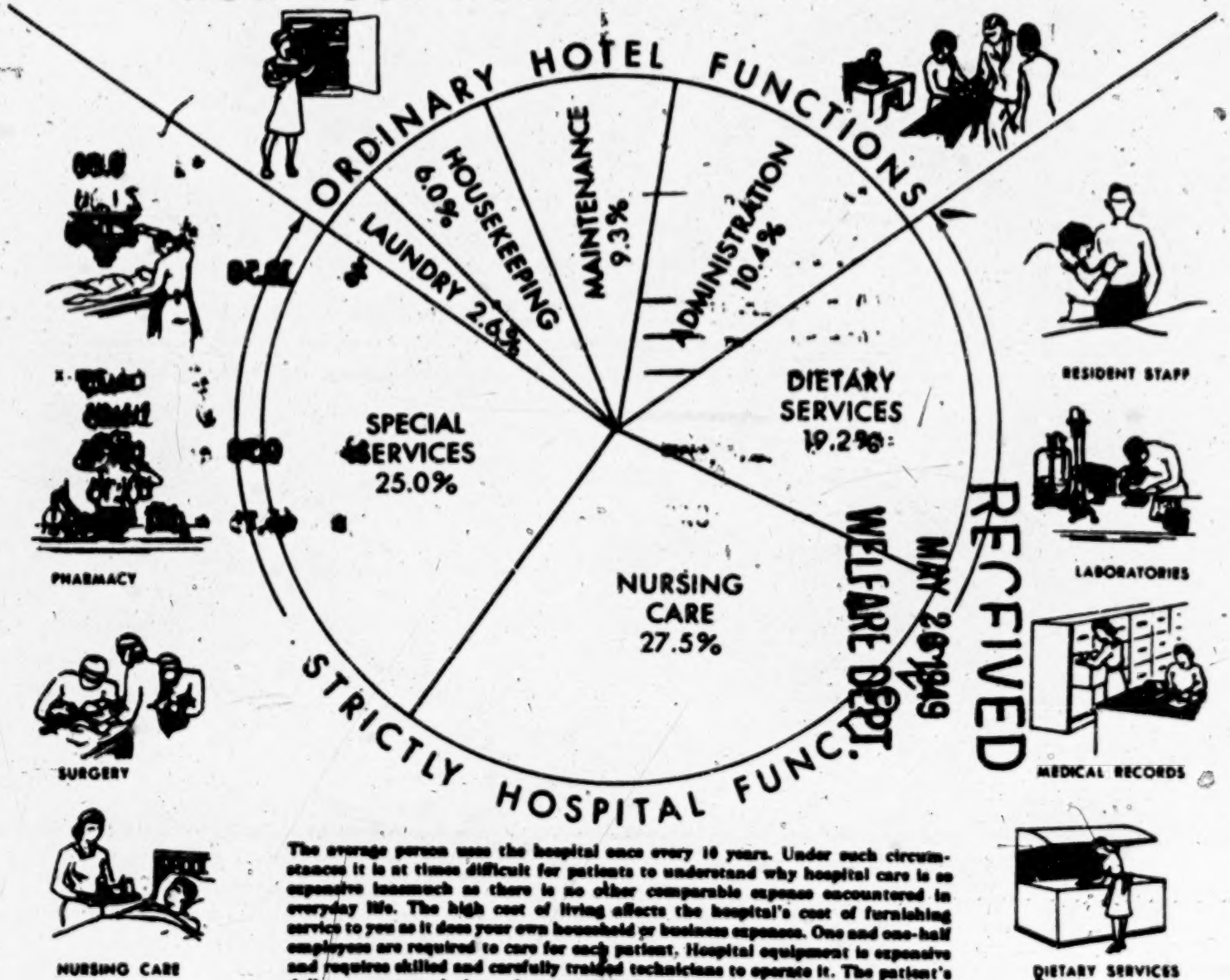
room 52 1 Accounts payable weekly. Please return this statement at time payment is made. Pay last amount in this column.

5

11347

7503

HOW YOUR HOSPITAL DOLLAR IS SPENT



The average person uses the hospital once every 10 years. Under such circumstances it is at times difficult for patients to understand why hospital care is so expensive inasmuch as there is no other comparable expense encountered in everyday life. The high cost of living affects the hospital's cost of furnishing service to you as it does your own household or business expenses. One and one-half employees are required to care for each patient. Hospital equipment is expensive and requires skilled and carefully trained technicians to operate it. The patient's dollar as portrayed above shows graphically the average costs of daily hospital care. Strictly hospital functions, such as Nursing Care, Special Service, Dietary Service make up 71.7% of hospital expense. The expense of the hospital comparable to room charge of an average hotel is shown in green and amounts to 28.3% of total hospital cost.

GOOD SAMARITAN HOSPITAL • PORTLAND, OREGON

11348 7504

GOOD SAMARITAN HOSPITAL

Portland, Oregon

1239

NAME Frank C. Badger NO. K1477

ADDRESS Grays River, Wn.

ROOM WARD 3 RATE 10.50

		DATE		DEBIT	CREDIT	BALANCE DUE
	12					
	13	APR- [illegible]	LAB'TY ——	* 4.85 ✓		* [illegible]
	14	APR- [illegible]	[illegible] —— 9	* 21.00		* 25.85
	15					* 25.85
	16	APR- [illegible]	——CASH		CR 25.85	* [illegible]
	17					
	18					
	19					C8214
	20					
	21					
	22					
	23					
	24					

See top sheet

[illegible] CO., PORTLAND, ORE. 00000

Please return this statement at time payment is made.
Pay last amount in this column.

Grays River Wash.
May 24-49

National Hospital Assn.
732 S.W. 3rd Ave
Portland Ore.

C8214

Gentlemen:-

I find that any dues to the National Hospital Assn. have all been paid by The Echrand Logging Company of this place.

I enclosed you will find statements covering part of my Doctor and Hospital care, which I wish you would take care of soon.

Yours truly-

Frank C. Badger

Plaintiff's Exhibit 2224

11350

ALLAN, MILLER & GROEZINGER
ATTORNEYS AT LAW
400 MONTGOMERY STREET
SAN FRANCISCO 4

February 1, 1950

VIA AIR MAIL

Mr. C. C. Bechtold
General Manager
National Hospital Association
732 S. W. Third Avenue
Portland 4, Oregon

Re: Industrial Health Svc.

Dear C. C.:

Until today I have been unable to either talk to or see Mr. J. R. Maloney at the Insurance Commissioner's office. He was out of San Francisco until yesterday, and was tied up with the Commissioner all day yesterday. Today I did have a chance to talk to him on the telephone and he was very surprised that you had copies of the correspondence. He said that he almost sent you copies but thought that he should not do so. He said that you should not feel that there was any embarrasment to him in the inquiry, and his whole attitude was as friendly as it has always been. He said that he had no knowledge from you, or yet from anyone else, that you were actually soliciting in California. He always thought, as I did, that the only California business that you were transacting was that which came to you unsolicited as a result of your operations near the Northern California border. He gave no indication that he is going to do anything about the matter at this time, but he indicated without saying it, that if there were ever any proof made to him that you were soliciting in California or complaints made about how you were conducting your activities in California, he might be forced to take some action.

I feel certain that what you must have meant in your testimony is that you serviced accounts in California, rather than solicited them, and either you misspoke or were misquoted in the record.

While trying to see Mr. Maloney yesterday I talked to another deputy—the one who handled the Industrial Hospital Association matter. That arose out of a complaint through a labor union concerning either the furnishing of or the charges for penicillin in some area around Eureka or Crescent City. The Insurance Department received complaints and then moved in on the matter, as a result of which a new subsidiary corporation
11351 was formed known as Industrial Health Service, Inc. This was organized, according to the information I now have, along the same lines as the California Physicians Service as a service contract, and not insurance, and therefore not under the jurisdiction of the Insurance Commissioner. I was furnished with the name of the local attorney who handled the matter, but did not think it advisable to talk to him, so I intend to look at the Articles of Incorporation in Sacramento and see just how it was set up. I do not think it would fit your operation because the statute under which it was formed requires that membership in the corporation be that of professional people, such as doctors. I shall write you further on this as soon as I have had an opportunity to go into the matter from the public records. Of course, if you think it is all right for me to talk to the local San Francisco attorney I shall do so, but I do not know whether the Industrial are closer to the doctors or to you, and therefore I am hesitant about approaching him.

Yours very truly,

(Signed) LELAND B. GROEZINGER
Leland B. Groezinger

LBG:am

11352 SUPREME COURT OF THE UNITED STATES

Stipulation as to Record

Filed March 22, 1951

Appeal from the District Court of the United States For the District of Oregon

It is hereby stipulated, consented, and agreed, by and between counsel for the respective parties hereto;

* * * * *

11353 * * * * *

26. The findings and conclusions entered by the Court are the same as those proposed in a second set of proposed findings by the defendants, except that the first sentence in Paragraph 42 of defendants' proposed findings states: "The sale of medical services, whether by a plan of prepaid medical care or otherwise . . . ".

11354 It is further stipulated and agreed that the following exhibits be printed as part of the printed record on appeal to the extent or in the manner hereby designated. Unless otherwise specified, all notarizations and acknowledgments are to be omitted.

* * * * *

Ex. 8 In lieu of actual exhibit, substitute the following statement:

Articles VIII and X of the Constitution of the Coos and Curry County Medical Society are the same as the similarly numbered articles in the Constitution of the Jackson County Medical Society, and Sections III, VII-X of Chapter 1, Section 1 of Chapter II, Sections IV, VI of Chapter III, and Chapter IV of the By-Laws of the Coos and Curry County Medical Society are the same as the similarly numbered provisions in the By-Laws of the Jackson County Medical Society (Ex. 7).

11355 * * * * *

Ex. 69 In lieu of actual exhibit, substitute the following statement:

Cashed Checks dated as follows from National Hospital Association to Dr. E. E. Lindell: 2 checks on

Oct. 14, 1948, 3 checks on Oct. 13, 1948, 1 check on September 25, 1 check on September 24, 1948, 1 check on August 12, 1948, 1 check on July 7, 1948, 1 check on July 14, 1948, 1 check on April 16, 1948. Checks endorsed by Dr. Lindell.

* * * * *

11356 * * * * *

Ex. 76 In lieu of exhibit substitute the following statement:

The Constitution of the Washington County Medical Society contains the same provisions as printed from Exhibit 75. The following names appear after Article XI of this exhibit:

A. O. Pitman
R. M. Kines
Roswell S. Waltz
F. J. Kabeiseman
D. C. McDonald
F. T. Rucker
R. S. Welsh
C. E. Mason
Watt Piercy
F. T. Burke
D. E. Wiley
J. C. Robb

The by-laws contain the same provisions as printed from Exhibit 75.

* * * * *

Ex. 79 In lieu of this exhibit substitute the following statement:

This is a Special Full Coverage Hospital and Medical Agreement dated April 13, 1940 between Industrial Hospital Association and a timber company. It contains the same provisions as paragraphs 1, 2, 4, 5, 6, 8, 11, 14, 14a, 14d, 14g, 15, 16, 17, 18, 19, 21 of Exhibit 78.

Ex. 80 In lieu of this exhibit substitute the following statement:

This is a Special Full Coverage Hospital and Medical Agreement between Industrial Hospital Association and Columbiaknit, Inc., dated January 17, 1941. It

contains the same provisions as paragraphs 1, 2, 4, 6, 8, 11, 14, 14a, 14d, 14g, 15, 16, 17, 19 of Exhibit 78. Paragraph 5 of this exhibit is broader than paragraph 5 of Exhibit 78. Paragraph 18 in this exhibit is the same as in Exhibit 78, except that in the last line of the second paragraph "necessary medicines" are included.

• • • • •

Ex. 82 In lieu of this exhibit substitute the following statement:

This is an Industrial Hospital Association Special Full Coverage Hospital and Medical agreement dated Feb. 27, 1943. It contains the same provisions as the previous exhibit.

11357 Ex. 83 In lieu of this exhibit substitute the following statement:

This is an Industrial Hospital Association Special Full Coverage Hospital and Medical Agreement dated July 1944. It contains the same provisions as exhibit 82, except that it does not include Paragraph 6 (Chiropractic Services).

• • • • •

Ex. 85 In lieu of this exhibit substitute the following statement:

This is a Special Full Coverage Hospital and Medical agreement dated June 1946 between Industrial Hospital Association and an employer concern. It contains the same provisions as the preceding one, except for paragraph 25, which relates to premium payments.

• • • • •

Ex. 88 In lieu of this exhibit substitute the following statement:

This exhibit contains the same provisions as exhibit 86 except as to paragraph numbered 25.

Ex. 89 In lieu of this exhibit substitute the following statement:

Except for section 25, this exhibit is the same as exhibit 88.

• • • • •

11358 • • • • •

Ex. 117 In lieu of exhibit substitute the following statement:

This is an Endorsement to a membership certificate of the Northwest Hospital Service Plan (Blue Cross), dated October 15, 1947, listing surgical and obstetrical service benefits as well as medical service benefits during period of hospitalization.

Ex. 121 In lieu of this exhibit substitute the following statement:

This exhibit consists of Articles of Incorporation of the Northwest Hospital Service Plan dated October 7, 1941 and several Supplementary Articles of Incorporation. Edward H. McLean was one of fifteen trustees of Northwest Hospital Service Plan who executed Supplementary Articles of Incorporation of the Plan in 1945.

• • • • •

11359 Ex. 123-124 In lieu of these exhibits substitute the following statement:

Exhibit 123 is a list of Oregon Cooperating Physicians and Surgeons and Consulting Specialists, dated February 1947. Exhibit 124 is a similar list dated December 1947. Among those included in each exhibit are Drs. Marion V. Klingler, Samuel J. Newsom, Ben T. Phillips and T. P. Staats, all of Portland, Oregon.

• • • • •

11360 Ex. 135 In lieu of this exhibit substitute this statement:

This is an OPS Full Coverage and Hospital Agreement which contains provisions substantially similar to those in Exhibit 134 made part of this record.

• • • • •

Ex. 138 In lieu of this exhibit substitute the following statement:

This is an OPS Full Coverage and Hospital agreement effective in 1944. It contains the same provisions as Exhibit 137 except that it does not list towns in Para-

graph 2 a, Paragraph 10 is different, and it contains a provision for Continuance of Service which is not in 137.

• • • • •

Ex. 141 In lieu of this exhibit substitute the following statement:

This is an Oregon Physicians' Service Full Coverage Medical and Hospital Agreement effective in 1946. It is the same as Exhibit 140, except that it contains a provision respecting payroll deductions for seasonal employees.

• • • • •

Ex. 148 In lieu of this exhibit substitute the following statement:

This is a blank Oregon Physicians' Service Supplemental Agreement with an employer for Medical Aid for Industrial Accidents.

• • • • •

11361 • • • • •

Ex. 156 In lieu of this exhibit substitute the following statement:

This is an Oregon Physicians' Service Semi-Full Coverage Certificate for Employed Individuals. It has written on it "eff 10-1-47" and contains the same statements as Exhibit 155 with respect to presenting cards, eligible individuals, and Nos. 1 through 7.

• • • • •

11363 • • • • •

Ex. 224 In lieu of this exhibit substitute the following statement: "This is a filled in OPS Treatment Requisition."

• • • • •

11375 • • • • •

Ex. 420 In lieu of this exhibit substitute the statement:

At the January 6, 1945 meeting of Class A and/or Voting Trustees of Oregon Physicians' Service, the resignation of Thompson Coberth for physical reasons was accepted. E. H. McLean, President of the Oregon State Medical Society, was present by special

invitation. J. P. Brennan was elected to replace Dr. Coberth as Director.

* * * * *

Ex. 460 through 471 In lieu of these exhibits substitute the following statement:

These exhibits consist of agreements like exhibit 459 between Oregon Physicians' Service and others. Exhibit 460 is such an agreement dated October 1, 1948 with the Cooperating Physicians of Columbia County. John C. Barton signed as President of the latter. Exhibit 461 is such an agreement dated Octoger 1, 1948 with the Cooperating Physicians of Yamhill County. W. I. Ross signed as President of the latter. Exhibit
11376 462 is such an agreement with the Cooperating Physicians of Crook County, dated October 1, 1947. It provides: "Any physician who shall be engaged in practice in Crook County and who shall be a member in good standing of the Central Oregon Medical Society and/or the Oregon State Medical Society, shall be eligible to become a stockholder of, and a member of the Crook County staff of O. P. S." On behalf of O. P. S. it was signed by D. R. Ross, its President, and J. P. Brennan, Acting Secretary. Exhibit 463 is such an agreement with the Cooperating Physicians of Jackson County, dated August 24, 1942. On behalf of the latter it was signed by Edwin R. Durno, President, and Dr. Lemery, Secretary. Exhibit 464 is such an agreement, dated October 7, 1948 with the Cooperating Physicians of Linn County. Exhibit 465 is such an agreement with the Cooperating Physicians of the Counties of Deschutes and Jefferson. Exhibit 466 is such an agreement, dated March 1, 1949, with the Cooperating Physicians of the Counties of Hood River, Wasco, Sherman, and Gilliam. It is signed by Paul Vogt as President of the latter. Exhibit 467 is such an agreement with the Cooperating Physicians of the Counties of Baker, Grant, Harney, Malheur, Morrow, Umatilla, Union, and Wallowa, dated August 28, 1948. Exhibit 468 is such an agreement with the Cooperating Physicians of Marion-Polk Counties, dated March 1, 1949. It was signed by J. L. Sears as President of the

latter. Exhibit 469 is such an agreement with the Cooperating Physicians of Josephine County, dated August 1, 1948. Exhibit 470 is such an agreement with the Cooperating Physicians of Benton County, dated April 1, 1949. Exhibit 471 is such an agreement with the Cooperating Physicians of Clatsop County, dated January 1, 1949.

Exhibits 460, 461, 462, 463, 464, 465, 466, 468 have no forms of O. P. S. Cooperating Physicians' Agreements attached to them. Exhibit 467, 469, and 470 have the same form of agreement as attached to exhibit 459. Exhibit 471 has the following form attached:

• • • • •

Ex. 474 to 475 In lieu of these exhibits substitute the following statement:

11377 These are corporate documents of Oregon Physicians Service which show that at the first meeting of the stockholders of that corporation in January 1942, the directors elected were W. W. Baum, J. P. Brennan, L. M. Spaulding, George T. Hurley, and Thompson Coberth. W. W. Baum signed the minutes of the first meeting of the stockholders of O. P. S. as President.

• • • • •

Ex. 483 In lieu of this exhibit substitute the following statement:

At a special meeting of stockholders of Oregon Physicians Service on June 6, 1942, the resignation of Major W. W. Baum as stockholder, member of the Board of Directors, and President of O. P. S. was accepted. A letter from Oregon State Medical Society advised that D. R. Ross had been nominated by the Council of the Society to replace Baum as a Class A stockholder of O. P. S. D. R. Ross was elected as a stockholder to replace Baum and was elected a Director to replace Baum.

• • • • •

11388 • • • • •

Ex. 808 In lieu of this exhibit substitute the following statement:

This exhibit consists of a Resolution of the stockholders of Multnomah Medical Service Bureau to merge the latter into Oregon Physicians Service, and a letter of notification of such resolution, dated January 8, 1942 from the Bureau to OPS.

* * * * *

11393 * * * * *

Ex. 1077 In lieu of this exhibit substitute the following statement:

This exhibit consists of six pages, which consecutively are the same as Exhibits 1067, 1068, 1070, 1071, 1072, 1073, except that they are addressed to Dr. Samuel M. Wise, Medical-Dental Building, Portland, Oregon and do not contain signatures.

* * * * *

11394 * * * * *

Ex. 1107 In lieu of this exhibit substitute the following statement:

This exhibit consists of the Constitution and by laws, with amendments, of the Oregon State Medical Society and the Multnomah County Medical Society both before and after 1936. Prior to December 20, 1933 the name of the Multnomah County Medical Society was Portland City and County Medical Society.

* * * * *

11396 * * * * *

Ex. 1172 In lieu of this exhibit substitute the following statement:

This is a letter between the same parties as Exhibit 1171, dated November 23, 1940, with the same list of affiliated bureaus.

* * * * *

Ex. 1175 In lieu of this exhibit substitute the following statement:

Part of this exhibit is a copy of a 1941 family coverage (for dependents under 21) agreement between Southern Oregon Medical Service Association and certain employees of Bear Creek Orchards, Medford, Oregon. The agreement contained the following statement:

"The Association's staff of physicians includes every regularly licensed physician and surgeon M. D. in Jackson County".

• • • • •

11397 • • • • •

Ex. 1217 In lieu of this exhibit substitute the following statement:

At the March 19, 1945 meeting of the Central Willamette Medical Society, Dr. H. N. Whitelaw was elected President; Waldo W. Ball, Secretary; and G. S. Beardsley, Censor. Drs. H. Garnjobst, G. T. Hurley, and A. E. Bostram comprised the Nominating Committee.

• • • • •

11398 • • • • •

Ex. 1259 In lieu of this exhibit substitute this statement:

This is a notification from Physicians and Surgeons Hospital Association to Salem General Hospital that as of January 1, 1943 the operations of the former would be transferred to Oregon Physicians Service.

• • • • •

11399 • • • • •

Ex. 1574 In lieu of this exhibit substitute the following statement:

An advertisement by OPS in the Oregon Journal, March 22, 1949, stated there were more than 100,000 Oregonians who had prepaid medical and hospital coverage through Oregon Physicians' Service.

• • • • •

11401 • • • • •

Ex. 1653 In lieu of this exhibit substitute the following statement:

This exhibit is the Supplementary Articles of Incorporation, filed in 1939, of the Pacific Hospital Association located in Eugene, Oregon.

Ex. 1656 In lieu of this exhibit substitute the following statement:

In April 1949 the Pacific Hospital Association had contracts with over 100 firms. Included in these
11402 firms were Weyerhaeuser Timber Company, Borden Company, Sears, Roebuck and Company, and a U. S. Postal Group.

• • • • •

Ex. 1661 In lieu of this exhibit substitute statement:

After the meeting referred to in Exhibit 1659, Mr. Kirk was engaged as general manager of Industrial Hospital Association.

• • • • •

Ex. 1668 In lieu of this exhibit substitute the following statement:

This exhibit consists of Supplementary Articles of Incorporation of Industrial Hospital Association dated July 3, 1940, amending its articles to prohibit the holding or owning of stock of the corporation by persons not licensed to practice medicine and surgery in Oregon.

• • • • •

Ex. 1672 In lieu of this exhibit substitute the following statement:

This exhibit consists of a filled-in Industrial Hospital Association ticket dated 4/26/49, an itemized bill by Drs. C. E. Marston, Charles W. Yost, and Karl P. Moran of Portland, Oregon; a note to the member stating, "We do not bill IHA direct. If you will present this statement to them, they will reimburse you,"; and an Industrial Hospital Association record of a refund to this member of the amount of the bill.

Ex. 1673 All except ticket No. 951. Add this statement:

This exhibit also contains a filled-in Industrial Hospital Association ticket to the ticket holder member of the Association.

11406 • • • • •

Ex. 1811 In lieu of this exhibit substitute the following statement:

This is a National Hospital Association Hospital Security Personal Contract—Standard. It has the

same provisions as Exhibit 1808 except as to Conditions Not Covered.

• • • • •

Ex. 1815 In lieu of this exhibit substitute the following statement:

This exhibit is a National Hospital Association Medical and Hospital Security Personal Contract—Limited. Its provisions are like Exhibit 1805 except as to Conditions Not Covered.

• • • • •

Ex. 1830 In lieu of this exhibit substitute the following statement:

This is a National Hospital Association contract like Exhibit 1829 except that a paragraph has been added under "onditions Covered".

Ex. 1831 In lieu of this exhibit substitute the following statement:

This is a National Hospital Association Special Contract containing the same terms as Exhibit 1829 except a different fee schedule is referred to.

11407 Ex. 1832 In lieu of this exhibit substitute the following statement:

This is a National Hospital Association Special Contract which contains the same provisions as Exhibit 1830, except a different fee schedule is referred to.

• • • • •

Ex. 1834 In lieu of this exhibit substitute the following statement:

This is a Natic al Hospital Association Standard Contract with provisions like Exhibit 1829 except a differen' fee schedule is referred to.

• • • • •

Ex. 1839 In lieu of this exhibit substitute the following statement:

This is a National Hospital Association Family contract—Special. It is the same as Exhibit 1833, except for a different fee schedule.

Ex. 1841 In lieu of this exhibit substitute the following statement:

This is a National Hospital Association Combination Family Contract—Special, Series FCA. Its terms are like Exhibit 1837.

Ex. 1842 In lieu of this exhibit substitute the following statement:

This is a National Hospital Association Family Contract—Special, Series FMC. Its provisions are like Exhibit 1836.

* * * * *

11408

* * * * *

Ex. 1888 In lieu of this exhibit substitute the following statement:

A meeting of the Board of Censors of the Multnomah County Medical Society was held November 9, 1936 to hold a preliminary investigation of Drs. George R. Suckow, J. D. Leonard, and T. Thoraldsen. Because none of these doctors was present, the matter was referred back to the Grievance Committee. There were present at this meeting Dr. Chas. E. Sears, Chairman, and Drs. Robert L. Benson and Frank R. Mount of the Board of Censors; Drs. Karl H. Martzloff, Richard B. Adams, and Frederick A. Kiehle, constituting the Grievance Committee; and John C. Adams and Clyde C. Foley.

* * * * *

Ex. 1898 In lieu of this exhibit substitute this statement:

This is a list of medical expenses for W. E. Minckley, from January 1941 until September 1948 totaling $2249.55.

* * * * *

11409

* * * * *

Ex. 1919 In lieu of this exhibit substitute the following statement:

At a hearing before the Board of Censors of the Multnomah County Medical Society on December 9, 1936, Drs. H. R. Shields and Dr. Wm. F. Beck stated they were willing to withdraw from the Weston Com-

pany but would need some time to withdraw. The hearing contained the following exchange: [Copy last seven lines on page 7.] The Board of Censors consisted of Dr. Chas. E. Sears, Dr. Robert L. Benson, and Dr. Frank R. Mount. Dr. John C. Adams, Secretary of the Society, and Clyde C. Foley, Executive Secretary, were also present.

* * * * *

11411 * * * * *

Ex. 2022 In lieu of this exhibit substitute the following statement:

This exhibit consists of a letter of May 18, 1940 from the Coos and Curry County Medical Society asking the Council of Oregon State Medical Society to approve the Coos Bay Hospital Association, and a reply dated June 3, 1940 from the State Society giving its approval.

* * * * *

11413 * * * * *

Ex. 2114-2120 In lieu of these exhibits substitute the following statement:

Each of these exhibits is like Exhibit 2113 except for the dates, the nature of the services, and the amounts. The earliest of these exhibits is dated Feb. 1940 and the latest June 1942.

11414 * * * * *

Ex. 2123 In lieu of this exhibit substitute the following statement:

In 1937 Dr. L. D. Inskeep was one of a number of employees of the City of Medford who signed a petition that they desired to remain under the protection of National Hospital Association and requested continuation of the City's contract with that Association.

Ex. 2124 In lieu of this exhibit substitute this statement:

This is a City of Medford list of employees, indicating occupation and date of membership in National Hospital Association. Dr. L. D. Inskeep is listed as Health Officer, date of membership is 4/1/33.

* * * * *

11418 It is further stipulated and agreed that the following exhibits, which plaintiff claims relate primarily to interstate commerce, shall be printed in a separate volume as part of the printed record on appeal to the extent or in the manner hereby designated. Unless otherwise specified, all notarizations and acknowledgments are to be omitted.

Ex. 36 In lieu of actual exhibit substitute the following:

Letter of January 23, 1947 from Mayo Clinic, Rochester, Minnesota, to National Hospital Association in Portland, Oregon. The letter stated that a specified person of Vancouver, Washington had been operated on at the Clinic, the nature of the operation, and that the letter was being sent in lieu of filling out an insurance blank and was sent to National at the request of the patient.

Ex. 58 In lieu of actual exhibit substitute the following:

Report dated May 1, 1946 by a sales representative of National Hospital Association, that a member of the Association had presented a National Hospital Association ticket to a doctor in Vancouver, Washington for medical treatment.

Ex. 90 In lieu of this exhibit substitute the following statement:

Industrial Hospital Association pamphlet concerning Family Coverage. Among other things it refers to ambulance service as one of the benefits offered and contains the following paragraphs:

CHOICE OF DOCTOR

The member has a wide choice of physicians, surgeons or specialists (including osteopathic physicians). Upon receipt of a medical report from the physician selected by the member, showing the condition treated and an itemized statement of services rendered, the Association will pay for said services either directly to the physician or will reimburse the member on the basis of its regularly established schedule of fees.

HOSPITAL CARE

Members requiring hospital care may have their choice of the general hospitals in each city or district in which hospital services are required. Hospital service is to be ward service except that in serious cases where a private room is necessary the same will be furnished for not longer than 30 days for adult members only. Children may have private room service by paying the difference between the ward rate and the private room rate
11419 directly to the hospital. Service includes general nursing, use of surgery, X-Rays, laboratory, medicines and surgical attendance.

Ex. 93 In lieu of exhibit 93 substitute the following statement:

This is an Industrial Hospital Association pamphlet which, among other things, states:

SELECTION OF PHYSICIAN

The Member is to select his own physician, surgeon and specialist. The Association will pay for these services at its established schedule of fees, upon receipt of itemized statement and diagnosis. Services will be paid for up to six months in any one case.

SELECTION OF HOSPITAL

The Member has free choice of any approved general hospital.

COVERAGE ANY PLACE IN U. S. A.

Members will have full benefit of this coverage any place in the United States.

* * * * *

Ex. 220 In lieu of this exhibit substitute the following statement:

According to this exhibit, there were 1512 persons within the State of Washington entitled to the benefits of contracts of Industrial Hospital Association in 1934 and during the same year no persons within that state entitled to the benefits of contracts of

Multnomah Industrial Health Association. The average annual payments to doctors in the State of Washington during that year by Industrial Hospital Association was $156.00; to doctors in California, $436.00. The average number of persons covered per contract by Industrial Hospital Association during that year was 47 and of Multnomah Industrial Health Association 14.

This is a report made by a Special Committee of the Multnomah County Medical Society in 1935.

• • • • •

Exs. 233-249 In lieu of these exhibits substitute the following statement:

11420 These exhibits are OPS documents relating to processing claims for hospital services and medical treatment to a Washington State resident covered by OPS through a contract with Consolidated Freightways. These exhibits consist of a document labeled 'Change Order' dated 3/28/49; a paid statement with notation King Co. Med. Service Corp. fee with paid stamp dated February, 1949; a filled-in OPS Treatment Requisition dated September 21, 1948 with a letter from OPS to a doctor in Kirkland, Washington referring to a reciprocal arrangement between King County Medical Service Corporation and Oregon Physicians' Service; an OPS Initial Case report stating hospitalization was had at a hospital in Seattle, Washington; a filled-in application for membership in Multnomah Medical Service Bureau dated 6/1/43; a filled-in OPS Treatment Requisition from another hospital in Seattle; a bill from a Washington ambulance company; a letter from OPS to the member in Kirkland, Washington, copy to a Seattle hospital; letter from hospital in Seattle to OPS; letter from a Seattle doctor to OPS; letter from OPS to a Seattle hospital, inclosing letter some Washington doctor; OPS Treatment Requisition from ambulance company; OPS Treatment Requisition from a Seattle doctor; OPS Treatment Requisition: letter from OPS to a doctor in Seattle; bill from a Seattle hospital; letter from OPS to a Seattle hospital; Treatment Requisition of Multnomah Medical Service Bureau

dated 5/15/44; notation of payment for eat treatment 4/3/46; Treatment Requisition of OPS, dated 8/14/46, to which is attached an OPS application for Medical and Hospital Service by this member, dated 12/1/44, who stated on the application that he resided in Fargo, N. D. Except as otherwise appears in this statement, the dates of the documents referred to are 1947.

Exs. 250-253 In lieu of these exhibits substitute the following statement:

These exhibits are OPS documents relating to processing a claim for medical treatment to a Washington State resident covered by OPS through a contract with Consolidated Freightways. These documents consist of a bill from a Tacoma, Washington doctor; three letters from OPS to the member in Washington, a letter from the Tacoma doctor to OPS; a letter from the member in Washington to OPS; a letter from OPS to the Tacoma doctor, with copies to the
11421 Washington member and King County Medical Society; a letter from the member in Washington to OPS. All these documents are dated 1948.

* * * * *

Exs. 1125-1140 In lieu of these exhibits substitute the following statement:

These exhibits consist of bills from firms in Chicago, Illinois, Milwaukee, Wisconsin, and from a few other out-of-state firms for medical supplies, drugs, and equipment to Lumberman's Hospital Inc., Bend, Oregon during 1948-1949. There are also bills from Oregon firms to Lumberman's Hospital Inc. for items shipped directly to it from California. The largest bill of these exhibits is the following:

* * * * *
11422 * * * * *

Ex. 1561 In lieu of this exhibit substitute the following statement:

This exhibit is a circular issued during the second World War by Oregon Physicians Service and Northwest Hospital Service Plan entitled Medical and Hospital Plan for employees of Oregon Shipbuilding

Corporation and Kaiser Company, Inc. It contains the following statements:

* * * * *

Ex. 1608 In lieu of this exhibit substitute the following statement:

This exhibit consists of a post card from a doctor in Crescent City, California, to Coos Bay Hospital Association, Coos Bay, Oregon, and a reply to the doctor from the Association that a check had been sent him for services rendered one of their subscribers. The dates of this correspondence are September and October 1948.

* * * * *

Exs. 1617-1620 In lieu of these exhibits substitute the following statement:

These exhibits are letters dated in 1947 and 1948 from Pacific Hospital Association to E. R. Squibb & Sons, San Francisco, California, and to the same company in Seattle, Washington, directing that ether be sent to Dr. W. R. Harris, Westfir, Oregon, and charged to the Association.

* * * * *

11423

* * * * *

Ex. 1634 In lieu of this exhibit substitute the following statement:

This was a letter from the Pacific Hospital Association to Physicians & Hospital Supply Co., Minneapolis, Minnesota, which occasioned Exhibit 1633.

* * * * *

Ex. 1679 In lieu of this exhibit substitute the following statement:

This exhibit consists of a letter from a Washington State doctor to Prudential Hospital Association, stating that an employee of a Washington firm needed a tonsillectomy; and a letter from Prudential to the doctor stating the employee was covered by Prudential for the operation. The correspondence took place in August, 1943.

* * * * *

Exs. 1681-1682 In lieu of these exhibits substitute the following:

These exhibits consist of 1944 correspondence similar to Exhibit 1679.

* * * * *

Ex. 1684 In lieu of this exhibit substitute the following statement:

This exhibit consists of a letter to Prudential Hospital Association from a member of the Association, stating he is in the Army, located in California, and enclosing a check for membership dues. Also a reply letter from Prudential to the member in California enclosing a refund check. The correspondence is dated in 1944.

* * * * *

11424 Ex. 1686 In lieu of this exhibit substitute this statement:

This is a letter to Prudential Hospital Association from a member located in California, stating she was enclosing a check for dues.

* * * * *

Exs. 1701-1702 In lieu of these exhibits substitute the following statement:

These exhibits consist of correspondence between Prudential Hospital Association and the Seattle, Washington Cutter Laboratories concerning a shipment of vaccines from Cutter to Prudential in 1944.

Exs. 1703-1707 In lieu of these exhibits substitute the following statement:

These exhibits consist of correspondence between Prudential Hospital Association and Cutter Laboratories at Berkeley, California in 1943, 1945, and 1947 respecting test charts sent by Prudential to Cutter to examine and the sending of serums by Cutter to Prudential for members of Prudential.

* * * * *

11425 * * * * *

Exs. 1731-1732 In lieu of these exhibits substitute the following statement:

These exhibits consist of two letters written in 1947 and 1948, similar to Ex. 1730.

* * * * *

Ex. 1734 In lieu of this exhibit substitute the following statement:

This is a form filled out by Prudential Hospital Association to Interstate Freight Lines, Seattle, Washington, for damages to medicines shipped from a drug firm in Seattle to Prudential in 1947.

* * * * *

Ex. 1742 In lieu of copying this exhibit, print this statement:

This exhibit consists of F. B. I. agent's work papers re: Study of Industrial Hospital Association. It discloses, among other things, that in 1948 payments were made to out of state doctors as follows: To doctors of medicine, 244. To dentists, 13. To other practitioners of the healing arts, none.

Ex. 1775 First three pages. Add statement:

This exhibit also includes a Fair Trade Agreement between Eugene Hospital and Clinic as retailer and Winthrop-Stearns Inc., New York City, N. Y. as manufacturer.

11426 Ex. 1776 In lieu of this exhibit substitute the following statement:

This exhibit consists of an Ampoule contract dated March 1946 by the Seattle branch of Parke, Davis & Company with Eugene Hospital & Clinic; a letter from the branch to Eugene Hospital & Clinic dated May 23, 1947 stating a recently signed contract between the parties for ampoules was enclosed; and a Fair Trade Agreement covering certain drugs between Eugene Hospital & Clinic as Retailer and Winthrop Chemical Company Inc., New York City, N. Y.

Ex. 1777 In lieu of this exhibit state:

This is the ampoule contract referred to in Exhibit 1776.

* * * * *

Ex. 1823 In lieu of this exhibit substitute the following statement:

This is a National Hospital Association Standard Contract—personal, issued from July 1, 1941 to May 15, 1947. It has the same provisions as those printed from 1822.

Ex. 1824 In lieu of this exhibit substitute the following:

This is a National Hospital Association Special Family Contract issued from July 1, 1941 to May 15, 1947, and contains provisions like those printed from 1822.

* * * * *

11427 * * * * *

Ex. 1882 In lieu of this exhibit substitute the following statement:

This exhibit consists of six paid checks made out by Pumphrey Company in 1936 and 1937 to State of Washington doctors. The highest amount is $48.75 and the lowest is $1.50. The total amount is slightly over $125. The checks were cleared through State of Washington banks although made out on a Portland Oregon bank.

* * * * *

11428 The following defendants' exhibits are to be printed in whole or part as noted:

* * * * *

11429 Exs. 2514-2566 In lieu of printing all these exhibits, print the following statement:

Each of these exhibits consists of the carbon copy of a statement for services rendered by a Dr. L. D. Inskeep of Medford, Oregon to National Hospital Association at its Portland, Oregon office, together with a remittance statement later the same month from National Hospital Association to the doctor, during the period of time from September 20, 1928 to October 1, 1934, and also October 10, 1936. The following are the bills and remittance statements for the month of February in each of the years 1932, 1933, 1934. They are typical of this group of exhibits for the years September 20, 1928 to October 1, 1934, except that the

asterisks opposite the figures showing the amount remitted varied in number from time to time.

* * * * *

11432 Ex. 2764 This exhibit consists of a graph showing that on June 30, 1949, Oregon Physicians' Service had outstanding contracts as follows:

Total outstanding contracts	2,879
Total subscribers	117,241
Total family subscribers	33,986
Total individual subscribers	9,986

* * * * *

11434 No subpoenas were issued at the request of the defendants. The following is a list of persons and organizations to whom subpoenas or subpoenas duces tecum were issued at plaintiff's request, and the Marshal's return:

Dr. Kenneth Lancefield—served.
Mr. Bronc Williams—served.
Dr. Robert L. Benson—served.
Dr. E. E. Gambee—served.
Dr. Kenneth Swan—served.
Dr. John R. Montague—served.
E. P. Hanke—served.
O. M. Olsen—served.
E. H. Beyer—served.
Dr. James Richmond—served.
Dr. H. H. Thomas—served.
Secy. of Dalles Clinic & Hospital—served.
Dorothy Morgan—served.
Emma Urwyler—served.
Raymond Vetterlein—served.
Maxwell Cofer—served.
Roscoe P. Hurst—served.
Joe E. Mulligan—served.
A. W. Lawrence—served.
Shepard & Morse Lbr. Co.,—server "Harry Smith"
Dr. Thomas R. Montgomery—served.
Dr. E. J. Pasquesi—served.
Amy Boyd—served.
Mrs. Frances Yexley—served
Lynn Jones—served.
A. C. Walsh—served.

L. C. Monnie—served.
11435 F. J. Schnell—served.
Robert Berven—served.
Alvin W. Gustafson—served.
A. J. Mihalcik—served.
Harry Miller—served.
Dr. E. R. Green—served.
Dr. R. W. Stearns—not found.
Oscar M. Anderson—served.
Sam Ritchey—served.
Ray Simmons—served.
Eugene Miller—served.
J. C. McCullock —served.
M. H. Catterlin—served.
Charles Ames—served.
Dr. L. M. Lehrback—served.
Fred Miller—served.
Cecil Callahan—served.
R. H. Muhmey—not served (deceased)
A. J. Anderson—served.
W. K. Kercher—served.
John Zak—served.
C. M. Reiter—served.
Thomas Vincent—served.
William Gahlsdorf—served.
Dr. W. H. Fortner—served.
Mrs. G. Beyers (G. Elliot)—served.
C. H. Weston Sr.,—served
Paul Bechtold—served.
Harry Miller—served
John R. Caughell—served.
11436 L. B. Bishop—served.
Mrs. Annie J. (Bateman) Gorby—served
Seth M. Bullis—served.
Edwin O. McKeen—served.
The Dalles General Hospital—served.
Dr. Albert Mount—served.
Ralph Furrer—served.
W. R. Radford—served.
Sister John of the Cross—served.
Ray Davis—served.
L. Murray—served.
E. N. Donnelly—served.
Mr. Fred Moore—(served Frank Moore, correctly)
Sister Superior Rose Imelda—served

Polly M. Cheney—served.
J. A. Ostrom—served.
Theodore S. Beguin—served.
A. W. Lingaas—served.
B. L. Nutting—served.
Ralph Koozer—served.
Edith Wright—served.
Dr. W. W. Black—served.
J. C. Compton—served.
Moss T. Compton—served.
Dr. R. I. Hall—served.
Walter L. Nutting—served.
Dr. Egon V. Ullman—served.
Edward P. Stamm—served.
Ted Kepner—served.
Dr. Jerome L. Holman—served.
11437 Dr. Leland V. Belknap—served.
W. E. Minckley—served.
Otto Bumala—served.
Thomas R. Williams—served.
O. M. Olson—served.
C. D. Moberg—served.
Dr. M. A. Kenney—served.
Maurice Milbank—served.
Stephen Kane—served.
Dr. D. S. Swart—served.
Dr. F. G. Thayer—not found.
H. H. Cleveland—not found.
Dr. Edwin A. Hendry—not found.
Glen Merrill—served.
E. L. Klein—served.
Mrs. Anna Martin—served.
Dr. G. S. Beardsley—served.
Dr. H. M. Peery—served.
Dr. A. F. Barnett—not served (deceased).
Dr. R. C. Faust—not served (deceased).
Dr. M. Earl Wilson—not served (deceased).
J. R. Gentry—served.
Dr. William H. Dale—not served (deceased).
O. L. Torrey—served.
Wayne H. McKinney—served.
William L. Harris—served.
H. D. McDonald—served.
Karl Edwards—served.
Al Flegel—served.